

Message Text

UNCLASSIFIED

PAGE 01 MANILA 11795 010742Z
ACTION XMB-04

INFO OCT-01 EA-09 ISO-00 EB-08 /022 W
-----026390 010743Z /21
R 010649Z AUG 77
FM AMEMBASSY MANILA
TO SECSTATE WASHDC 3063

UNCLAS MANILA 11795

E.O. 11652: N/A
TAGS: BPRO, RP
SUBJECT: APPLICATION OF RIZAL COMMERCIAL BANKING CORPORATION (RCBC)
FOR EXTENSION OF US\$1.25 MILLION CFF LINE

REF: STATE 164836

1. RCBC RANKS THIRD AMONG THE COUNTRY'S COMMERCIAL BANKS IN TERMS OF TOTAL ASSETS, AND REGISTERED RAPID GROWTH IN ASSETS IN 1976. IT CONTINUES TO EXPAND BRANCH OPERATIONS THROUGHOUT THE COUNTRY. THE RECENT 35 PERCENT TAX ON MONEY MARKET TRANSACTIONS IS EXPECTED TO AFFECT THE BANK, WITH ABOUT 30 PCT OF ITS LOANABLE FUNDS COMING FROM THIS SOURCE. THE EFFECT OF THE TAX, HOWEVER, IS NOT UNIQUE TO RCBC.

2. THE BANK HAS A GOOD REPUTATION IN THE BUSINESS AND BANKING COMMUNITY AND HAS BEEN THE MOST ACTIVE USER OF THE CFF. THE FACILITY RECENTLY HAS NOT RECEIVED ADEQUATE ATTENTION DUE TO REORGANIZATION AT THE EXECUTIVE LEVEL BROUGHT ABOUT BY THE TRANSFER OF SOME EXECUTIVES, HEADED BY FORMER EXECUTIVE VICE PRESIDENT ROMEO CO, TO THE NEW ALLIED BANKING CORPORATION. THE CFF HAS BEEN USED IN THE PAST MAINLY TO FINANCE IMPORTS OF HEAVY EQUIPMENT AND ALTHOUGH BANK OFFICERS HAD NO CONCRETE UTILIZATION PLAN FOR THE FUTURE USE OF THE FACILITY, THEY HOPE TO RECOVER THEIR MOMENTUM AS THE REORGANIZATION SHAKES DOWN.

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PAGE 02 MANILA 11795 010742Z

3. THE EMBASSY SEES NO OBJECTION TO THE EXTENSION OF THE CFF LINE TO RCBC.

4. INTEREST RATES CHARGED BY THE BANK FOLLOW CENTRAL BANK REGULATIONS. LOANS WITH MATURITIES OF 2 YEARS OR LESS ARE CHARGED ABOUT 14 PERCENT, WHILE THOSE MATURING IN MORE THAN TWO YEARS, 14-19 PERCENT. ACCORDING TO BANK

SOURCES, THE INCLUSION OF SERVICE AND OTHER CHARGES MAY
PUSH THE RANGE UP TO 19 - 22 PERCENT.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA11795
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770274-0655
Format: TEL
From: MANILA
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1977/newtext/t197708111/aaaadqia.tel
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Office: ACTION XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: 77 STATE 164836
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
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Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 1435408
Secure: OPEN
Status: NATIVE
Subject: APPLICATION OF RIZAL COMMERCIAL BANKING CORPORATION (RCBC) FOR EXTENSION OF US\$1.25 MILLION CFF LINE
TAGS: BPRO, RP
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/1a192250-c288-dd11-92da-001cc4696bcc
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